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DEPARTMENT OF COMMERCE

International Trade Administration

[C-580-837]

Certain Cut-to-Length Carbon-Quality Steel Plate from the Republic of Korea: Preliminary Results of Countervailing Duty Administrative Review; Calendar Year 2018

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The Department of Commerce (Commerce) determines that Hyundai Steel Co. (Hyundai Steel) and Dongkuk Steel Mill Co., Ltd. (DSM), exporters/producers of certain cut-to-length plate from the Republic of Korea (Korea), received *de minimis* net subsidy rates during the period of review (POR) January 1, 2018 through December 31, 2018.

DATES: Applicable [Insert date of publication in the *Federal Register*].

FOR FURTHER INFORMATION CONTACT: John Conniff (for Hyundai Steel) or Jolanta Lawska (for DSM), AD/CVD Operations, Office III, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-1009 or (202) 482-8362, respectively.

SUPPLEMENTARY INFORMATION:

Background

On May 2, 2019, Commerce published a notice of initiation of an administrative review¹ of the countervailing duty order on certain cut-to-length carbon quality steel plate from the

¹ See *Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 84 FR 18777 (May 2, 2019) (*Initiation*).

Korea.² On October 28, 2019, Commerce extended the due date of the preliminary results of this administrative review until February 28, 2020.³

For a complete description of the events that followed the initiation of this review, *see* the Preliminary Decision Memorandum.⁴ A list of topics discussed in the Preliminary Decision Memorandum is included at the appendix to this notice. The Preliminary Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <https://access.trade.gov>, and to all parties in the Central Records Unit, Room B8024 of the main Commerce building. In addition, a complete version of the Preliminary Decision Memorandum can be accessed directly at <http://enforcement.trade.gov/frn/>. The signed and electronic versions of the Preliminary Decision Memorandum are identical in content.

Scope of the Order

The merchandise covered by the order is certain cut-to-length carbon-quality steel plate from Korea. For a complete description of the scope of the order, *see* the Preliminary Decision Memorandum.

Methodology

Commerce is conducting this review in accordance with section 751(a)(1)(A) of the Tariff Act of 1930, as amended (the Act). For each of the subsidy programs found countervailable, we preliminarily determine that there is a subsidy, *i.e.*, a financial contribution

² *See Antidumping or Countervailing Duty Order, Finding, or Suspended Investigation; Opportunity to Request Administrative Review*, 84 FR 2816, 2818 (February 8, 2019).

³ *See* Memorandum, "Extension of Deadline for Preliminary Results of CVD Review," dated October 28, 2019.

⁴ *See* Memorandum, "Decision Memorandum for the Preliminary Results of the Countervailing Duty Administrative Review, 2018: Certain Cut-to-Length Carbon-Quality Steel Plate from the Republic of Korea," dated concurrently with, and hereby adopted by, this notice (Preliminary Decision Memorandum).

by an “authority” that confers a benefit to the recipient, and that the subsidy is specific.⁵ For a full description of the methodology underlying our conclusions, *see* the Preliminary Decision Memorandum.

Rate for Non-Selected Companies Under Review

The statute and Commerce’s regulations do not directly address the establishment of rates to be applied to companies not selected for individual examination where Commerce limited its examination in an administrative review pursuant to section 777A(e)(2) of the Act. However, Commerce normally determines the rates for non-selected companies in reviews in a manner that is consistent with section 705(c)(5) of the Act, which provides instructions for calculating the all-others rate in an investigation. We also note that section 777A(e)(2) of the Act provides that “[t]he individual countervailable subsidy rates determined under subparagraph (A) shall be used to determine the all-others rate under section 705(c)(5) {of the Act}.” Section 705(c)(5)(A) of the Act states that for companies not investigated, in general, we will determine an all-others rate by using the weighted-average countervailable subsidy rates established for each of the companies individually investigated, excluding zero and *de minimis* rates or any rates based solely on the facts available.

However, we preliminarily determine that DSM and Hyundai Steel received countervailable subsidies that are *de minimis*. Therefore, in these preliminary results, we are applying the *de minimis* net subsidy rate calculated for Hyundai Steel and DSM to BDP International and Sung Jin Steel Co., Ltd.

⁵ See sections 771(5)(B) and (D) of the Act, regarding financial contribution; section 771(5)(E) of the Act, regarding benefit; and section 771(5A) of the Act, regarding specificity.

Preliminary Results of the Review

In accordance with 19 CFR 351.221(b)(4)(i), we calculated individual subsidy rates for DSM and Hyundai Steel. For the period January 1, 2018 through December 31, 2018, we preliminarily determine that the following net subsidy rates for the producers/exporters under review to be as follows:

Company	Subsidy Rate <i>Ad Valorem</i>
Dongkuk Steel Mill Co., Ltd.	0.15 percent (<i>de minimis</i>)
Hyundai Steel Company	0.49 percent (<i>de minimis</i>)
BDP International	<i>de minimis</i>
Sung Jin Steel Co., Ltd.	<i>de minimis</i>

Assessment Rates

Upon completion of the administrative review, Commerce shall determine, and U.S. Customs and Border Protection (CBP) shall assess, countervailing duties on all appropriate entries covered by this review. We intend to issue assessment instructions to CBP 15 days after publication of the final results of this review.

Cash Deposit Requirements

Pursuant to section 751(a)(2)(C) of the Act, upon issuance of the final results, Commerce intends to instruct CBP to collect cash deposits of estimated countervailing duties for each of the companies listed above on shipments of subject merchandise entered, or withdrawn from warehouse, for consumption on or after the date of publication of the final results of this administrative review, except, where the rate calculated in the final results is zero or *de minimis*, no cash deposit will be required. For all non-reviewed companies, we will instruct CBP to collect cash deposits of estimated countervailing duties at the most recent company-specific or

all-others rate applicable to the company, as appropriate. These cash deposit requirements, when imposed, shall remain in effect until further notice.

Disclosure and Public Comment

Commerce intends to disclose to parties to this proceeding the calculations performed in reaching the preliminary results within five days of the date of publication of these preliminary results.⁶ Interested parties may submit written arguments (case briefs) within 30 days of publication of the preliminary results and rebuttal comments (rebuttal briefs) within five days after the time limit for filing the case briefs.⁷ Pursuant to 19 CFR 351.309(d)(2), rebuttal briefs may respond only to issues raised in the case briefs. Parties who submit arguments are requested to submit with the argument: (1) statement of the issue; (2) a brief summary of the argument; and (3) a table of authorities.⁸

Interested parties who wish to request a hearing must submit a written request to the Assistant Secretary for Enforcement and Compliance, U.S. Department of Commerce, within 30 days after the date of publication of this notice.⁹ Requests should contain (1) the party's name, address, and telephone number; (2) the number of participants; and (3) a list of the issues to be discussed. If a request for a hearing is made, we will inform parties of the scheduled date for the hearing, which will be held at the U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230, at a time and location to be determined.¹⁰ Parties should confirm by telephone the date, time, and location of the hearing.

⁶ See 19 CFR 351.224(b).

⁷ See 19 CFR 351.309(c)(1)(ii); 351.309(d)(1); and 19 CFR 351.303 (for general filing requirements).

⁸ See 19 CFR 351.309(c)(2) and (d)(2).

⁹ See 19 CFR 351.310(c).

¹⁰ See 19 CFR 351.310.

Parties are reminded that briefs and hearing requests are to be filed electronically using ACCESS and that electronically filed documents must be received successfully in their entirety by 5:00 pm Eastern Time on the due date.

Unless the deadline is extended pursuant to section 751(a)(3)(A) of the Act, Commerce will issue the final results of this administrative review, including the results of our analysis of the issues raised by parties in their comments, within 120 days after issuance of these preliminary results.

Notification to Interested Parties

This administrative review and notice are issued and published in accordance with sections 751(a)(1) and 777(i)(1) of the Act, and 19 CFR 351.213.

Dated: February 28, 2020.

Jeffrey I. Kessler,
Assistant Secretary
for Enforcement and Compliance.

Appendix

List of Topics Discussed in the Preliminary Decision Memorandum

- I. Summary
- II. Background
- III. Period of Review
- IV. Scope of the Order
- V. Preliminary *Ad Valorem* Rate for Non-Selected Companies Under Review
- VI. Subsidies Valuation Information
- VII. Analysis of Programs
- VIII. Recommendation

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